

Table 12. Traditional Estimate: Simulated Impact of Premium Support System on Beneficiary Premiums, Private Plans vs. FFS
(Premiums as a percent of current law baseline)

	Premium Support System											
	Private Plans			FFS No Change			Weighted Average			Current Law Baseline		
	Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>	
2003	105%	12%	105%	107%	12%	107%	106%	12%	106%	100%	11%	100%
2004	100%		100%	105%		105%	104%		104%	100%		100%
2005	96%		96%	104%		104%	101%		101%	100%		100%
2006	94%		94%	103%		103%	100%		100%	100%		100%
2007	91%		91%	102%		102%	98%		98%	100%		100%
2008	88%		88%	101%		101%	96%		96%	100%		100%
2009	84%		84%	99%		99%	93%		93%	100%		100%
2010	82%		82%	98%		98%	92%		92%	100%		100%
2011	80%		80%	98%		98%	91%		91%	100%		100%
2012	78%		78%	98%		98%	89%		89%	100%		100%
2013	76%		75%	97%		97%	88%		88%	100%		100%
2014	74%		73%	96%		96%	86%		86%	100%		100%
2015	72%		72%	97%		97%	86%		86%	100%		100%
2016	71%		70%	97%		97%	85%		85%	100%		100%
2017	70%		69%	98%		98%	85%		85%	100%		100%
2018	69%		68%	99%		99%	85%		85%	100%		100%
2019	69%		68%	100%		100%	86%		85%	100%		100%
2020	68%		67%	101%		101%	86%		85%	100%		100%
2021	67%		66%	102%		102%	86%		85%	100%		100%
2022	67%		65%	103%		103%	86%		85%	100%		100%
2023	66%		64%	104%		104%	86%		85%	100%		100%
2024	66%		63%	105%		105%	86%		85%	100%		100%
2025	65%		62%	106%		106%	86%		85%	100%		100%
2026	64%		61%	106%		106%	85%		84%	100%		100%
2027	62%		59%	106%		106%	85%		83%	100%		100%
2028	62%		58%	107%		107%	85%		83%	100%		100%
2029	61%		58%	108%		108%	85%		83%	100%		100%
2030	61%	11%	57%	110%	15%	110%	86%	12%	84%	100%	14%	100%

Note: Assumes no changes in fee-for-service plan's payments. Assumes, therefore, that premiums for private plans grow slower, on average, than the premium for the fee-for-service plan.

The percentages between the data columns represent the average enrollee premiums as a share of Medicare spending in the year shown.
The premium support formulas are calibrated for post-home health transfer impact on premiums.
Proper comparison baseline would have home health transfer completed at start.